



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-817]

Oil Country Tubular Goods from the Republic of Turkey: Preliminary Results of Countervailing Duty Administrative Review and Rescission of Countervailing Duty Administrative Review, in Part

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the countervailing duty (CVD) order on Oil Country Tubular Goods (OCTG) from the Republic of Turkey (Turkey). The period of review (POR) is January 1, 2015, through December 31, 2015. The Department initiated this administrative review with respect to the following producers/exporters of subject merchandise: Borusan Mannesmann Boru Sanayi ve Ticaret A.S. and Borusan Istikbal Ticaret (collectively, Borusan); and Tosçelik Profil ve Sac Endustrisi A.Ş. and Tasyali Dış Ticaret A. Ş. (collectively, Toscelik). We preliminarily find that Borusan received countervailable subsidies at *de minimis* levels during the POR. Additionally, as a result of the final and conclusive decision by the Court of Appeals for the Federal Circuit related to the underlying CVD investigation of OCTG from Turkey, which resulted in Toscelik being excluded from the CVD order, we are rescinding the administrative review with respect to Toscelik. Interested parties are invited to comment on these preliminary results.

DATES: APPLICABLE [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Jennifer Shore or Aimee Phelan, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S.

Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2778 or (202) 482-0697, respectively.

## SUPPLEMENTARY INFORMATION:

### Background

On September 8, 2016, the Department published a notice of opportunity to request an administrative review of the CVD order on OCTG from Turkey for the period January 1, 2015, through December 31, 2015.<sup>1</sup> On September 30, 2016, the Department received review requests from Borusan and Toscelik.<sup>2</sup> On November 9, 2016, the Department published a notice of initiation of administrative review for this CVD order.<sup>3</sup> On May 17, 2017, the Department postponed the deadline for issuing the preliminary results of this administrative review until October 2, 2017.<sup>4</sup> On September 27, 2017, the Department amended the CVD order on OCTG from Turkey to exclude Toscelik.<sup>5</sup>

### Scope of the Order

The merchandise covered by the order is certain OCTG, which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG

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<sup>1</sup> See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 81 FR 62096 (September 8, 2016).

<sup>2</sup> See Letter from Borusan, “Oil Country Tubular Goods from the Turkey, Case No. C-489-817: Request for Countervailing Duty Administrative Review,” dated September 30, 2016; and Letter from Toscelik, “OCTG from Turkey; Toscelik request for administrative review,” dated September 30, 2016.

<sup>3</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 81 FR 78778 (November 9, 2016).

<sup>4</sup> See Department Memorandum, Extension of Deadline of Preliminary Results, dated May 17, 2017.

<sup>5</sup> See *Oil Country Tubular Goods from the Republic of Turkey: Amendment of Countervailing Duty Order*, signed on September 27, 2017 (*OCTG Amended Order*).

products), whether or not thread protectors are attached. The scope of the order also covers OCTG coupling stock. A full description of the scope of the Order is contained in the Preliminary Decision Memorandum, which is hereby adopted by this notice.<sup>6</sup>

### Methodology

We are conducting this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found to be countervailable, we preliminarily find that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>7</sup> For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov> and in the Central Records Unit, Room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content. A list of topics discussed in the Preliminary Decision Memorandum is provided in the Appendix to this notice.

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<sup>6</sup> See Memorandum, “Decision Memorandum for the Preliminary Results of 2015 Countervailing Duty Administrative Review and Partial Rescission: Oil Country Tubular Goods from the Republic of Turkey,” dated concurrently with this notice (Preliminary Decision Memorandum).

<sup>7</sup> See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and, section 771(5A) of the Act regarding specificity.

### Partial Rescission of Administrative Review

As stated above, the Department initiated an administrative review of Toscelik for the period January 1, 2015 through December 31, 2015.<sup>8</sup> However, subsequent to the final and conclusive decision by the Court of Appeals for the Federal Circuit related to the underlying CVD investigation of OCTG from Turkey,<sup>9</sup> Toscelik was excluded from the CVD order. On September 27, 2017, the Department amended the CVD order on OCTG from Turkey to exclude Toscelik.<sup>10</sup> Accordingly, we are rescinding this administrative review with respect to Toscelik.

### Preliminary Results of the Review

We preliminarily find that the following net countervailable subsidy rate for the mandatory respondent, Borusan, for the period January 1, 2015 through December 31, 2015:

<b>Company</b>	<b>Subsidy Rate <i>Ad Valorem</i></b>
Borusan Mannesmann Boru Sanayi ve Ticaret A.S., and Borusan Istikbal Ticaret <sup>11</sup>	0.48 percent*

\* *De Minimis*

### Assessment Rates

Consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), upon issuance of the final results, the Department will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. We intend to issue instructions to CBP 15 days after publication of the final results of this review.

As a result of Toscelik's exclusion from the CVD order on OCTG from Turkey, the Department will instruct CBP to terminate the suspension of liquidation of entries of subject

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<sup>8</sup> The Department determined that Toscelik Profil ve Sac Endustrisi A.S. and Tosyali Dis Ticaret A.S. are cross-owned. *See OCTG Amended Order*.

<sup>9</sup> *See Maverick Tube Corporation v. United States*, 857 F.3d 1353 (Fed. Cir. 2017).

<sup>10</sup> *See OCTG Amended Order*.

<sup>11</sup> The Department has determined that Borusan Mannesmann Boru Sanayi ve Ticaret A.S. and Borusan Istikbal Ticaret are cross-owned. *See Preliminary Decision Memorandum*.

merchandise where Toscelik acted as both the producer and exporter during the period January 1, 2015, through December 31, 2015, and to liquidate, without regard to countervailing duties, all entries of OCTG produced and exported by Toscelik currently suspended. Entries of subject merchandise exported to the United States by any other producer and exporter combination involving Toscelik are not entitled to this exclusion from suspension of liquidation and are subject to the cash deposit rate for the “all others” entity. The Department intends to issue appropriate assessment instructions directly to CBP 15 days after publication of this notice in the *Federal Register*.

#### Cash Deposit Requirements

In accordance with section 751(a)(2)(C) of the Act, the Department intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount shown above for Borusan, should the final results of this administrative review remain the same as these preliminary results; if the rate is zero or *de minimis*, then zero cash deposit will be required. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most recent company specific or all-others rate applicable to the company. These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Disclosure and Public Comment

We will disclose to parties in this review the calculations performed in reaching the preliminary results within five days of publication of these preliminary results.<sup>12</sup> Interested parties may submit written comments (case briefs) on the preliminary results no later than 30 days from the date of publication of this *Federal Register* notice, and rebuttal comments (rebuttal

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<sup>12</sup> See 19 CFR 351.224(b).

briefs) within five days after the time limit for filing case briefs.<sup>13</sup> Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>14</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.<sup>15</sup> Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Issues addressed at the hearing will be limited to those raised in the briefs. If a request for a hearing is made, parties will be notified of the date and time for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.<sup>16</sup> The Department intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, no later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h), unless this deadline is extended.

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<sup>13</sup> See 19 CFR 351.309(c)(1)(ii); 351.309(d)(1); and 19 CFR 351.303 (for general filing requirements).

<sup>14</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>15</sup> See 19 CFR 351.310(c).

<sup>16</sup> See 19 CFR 351.310(d).

These preliminary results and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

*Dated: October 2, 2017.*

Gary Taverman,  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance.

## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
  - II. Background
  - III. Scope of the Order
  - IV. Rescission of the 2015 Administrative Review, in Part
  - V. Subsidies Valuation Information
  - VI. Analysis of Programs
  - VII. Recommendation
- [FR Doc. 2017-21585 Filed: 10/5/2017 8:45 am; Publication Date: 10/6/2017]